



NEWSLINE

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Chairman's Report

by Charles Woodard
TAC Chairman

The Tennessee Auctioneer Commission (TAC) has just received an approved copy of the New Rules that were promulgated and passed by the Commission in the year 2000. The rules are provided for you as an insert in this Newsline. The TAC urges you to read the new rules and place a copy in your files for future reference. The new rules deal with a variety of issues including Charity Auctions, Electronic Media Auctions, Advertising Guidelines, and Buyer's Premium Notice. For the first time, the terms Absolute Auction and Reserve Auction are defined by the TAC. We think these changes will be of benefit to the auction profession as a whole. We will discuss the rule changes at our seminar to be held in Jackson, Tennessee, on May 17 at the Comfort Inn. We encourage you to be present to take part in those discussions.

We continue to have problems with sponsors not properly supervising their apprentices. It is the responsibility of every sponsor to make sure that their apprentices are properly licensed and are aware of firm office procedures and policies. A sponsor is responsible for all of the auctioning activities of an apprentice and must be physically present to monitor their activities. An apprentice may not sign an auction contract, sign a closing statement, or operate a trust or escrow account. The sponsor is responsible for acknowledging any and all activities recorded on the apprentice log submitted to the TAC for experience credit. We urge sponsors to communicate with their apprentices to make sure they know how to operate within the confines of the law.

The Tennessee Auctioneer Commission continues to work to make sure the Laws, Rules, and Regulations that regulate auctions and auctioneers are complete, concise, and fair. We are working to discipline those who choose to operate outside the law and help those who have made a commitment to abide by our laws.

Recent rules adopted by the TAC have been provided to you as an insert in this newsletter. This information should be kept as a supplement to your 1999 Edition of the Tennessee Auctioneer License Law and Regulations handbook.

THINGS EVERY AUCTIONEER SHOULD KNOW

By Dennis Hodges, TAC Investigator

There are basic requirements of the Tennessee Auctioneer Licensing Act that every licensee should follow consistently throughout their tenure in the auction business. During my investigations I find an increasing number of licensees that are failing to comply with the basic requirements of the law. To help licensees do a better job in their daily auction practice, I have compiled a list of basic things every licensee should know. They are as follows:

- You should know the anniversary date of your license. You are responsible for prompt renewal of your license even if you did not receive a renewal notice.
- Every licensee is required to have a definite firm affiliation.
- You are required to have a sign erected in a conspicuous place on the premises at or near the outside entrance to the office.
- You are required to notify the TAC should you change your official business address and/or mailing address.
- You are required to carry your pocket card with you at all times.
- You are required to display your license in your office in a conspicuous place.
- You are required to maintain and use a Trust or Escrow account.
- You are required to account for and remit any money belonging to others within a reasonable time.
- You are required to have a written contract with your seller or sellers. If you have multiple consignors or sellers, you are required to have a written agreement with each one.
- You are responsible for the content of all advertising promoting your business or an auction.
- You are required to provide a copy of all written documents prepared by you to all interested parties.
- You cannot use false bidders, cappers, pullers, to artificially inflate the bids being taken at an auction.
- You are required to issue a closing statement to each seller documenting the income, expenses and the amount due to be paid to the seller.
- You are required to provide direction and supervision of all apprentices that you are sponsoring.

Things Every Auctioneer ...*(Continued)*

- You can sponsor no more than three apprentices at one time.
- If you were licensed after January 1, 1985, you must obtain six hours of continuing education every renewal period (2 years) as a prerequisite for renewing your license. Any auctioneer who has reached the age of sixty (60) years and has been licensed as an auctioneer for ten (10) years is exempt from continuing education requirements.
- You are responsible for monitoring and implementing all changes in the law, rules, and regulations that impact your auction business.
- If you are selling real estate at auction, you are required to have a real estate license.
- If you are utilizing a buyer's premium for an auction, you must clearly state the information in your advertising and announce it prior to the beginning of the auction.

It is the responsibility of every auctioneer to understand the law, rules and regulations and implement them in your auction practice. It is also your responsibility to ensure that all of the licensees that work with you follow the law and operate in a lawful manner.

INVESTIGATIONS, FINES AND PENALTIES

The Tennessee Auctioneer Commission took steps in 1999 to provide a fulltime investigator to work solely for the TAC and the licensees of this state. It is our goal to identify those individuals operating in Tennessee without the proper licenses. If you know of any illegal activity, you are encouraged to notify TAC Investigator Dennis Hodges by phone, mail, or e-mail and he will open a file and investigate the complaint. The identity of the person providing the information is not revealed to anyone. We need your help to identify those operating without licenses in Tennessee.

The Auctioneer License Law allows the investigator and the Administrative Director to issue citations against persons acting in the capacity of engaging in the auction business without the proper license.

Each person holding an auctioneer license, apprentice license, firm license, or gallery license is charged with the responsibility of operating under the law, rules and regulations established for TAC

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NEW TESTING PROCEDURES GET GOOD REVIEWS

by Lynn McGill, Administrative Director

The new testing program approved and implemented by the TAC for 2001 has been a success. We have received a number of great reviews from those taking the various exams. The license candidates seem to like the convenience of choosing a test site and a time to take the exam. The TAC will continue to monitor the testing process to insure that it is the best we can offer our candidates and licensees.

I would like to remind any person desiring to take any TAC exam that there are certain steps you must take and certain items you must bring to the test center. The following is a summary of information that you will need.

Education Requirements: Any applicant must complete all of the educational requirements prior to making a reservation to take any exam.

Testing Reservation Procedures:

Reservations may be made Monday through Friday by telephone from 8:00 a.m. to 11:00 p.m., Saturday 8:00 a.m. to 5:00 p.m. and Sunday 8:00 a.m. to 2:00 p.m.; all times are Eastern Standard Time. You must make your reservation at least three (3) days prior to taking the exam. Walk-in testing is not available. You may call 1-888-204-6231 to schedule your test date.

Fees:

The exam fee is \$137.50 and the application for all first time takers is \$25.00. Examination fees are paid at the test center on the day of your scheduled exam (unless you paid by credit card at the time of your phone-in reservation.) Applicant's payment must be in the form of a money order, insurance company or agency check, certified check, or cashier's check. You cannot pay by personal check or with cash. Examination fees are non-refundable and non-transferable. Two checks are necessary if you are taking the test for the first time: One check in the amount of \$137.50 payable to Assessment Systems, Inc; the second check (for first time takers only) in the amount of \$25.00 payable to the Tennessee Auctioneer Commission.

What You Must Bring With You To The Test

Center: You must have the following items with you in order to take the exam:

- Exam Fee
- Two forms of signature identification and one must have a photo.

- Original failing score if you are a retaker.
- Your ASI confirmation number and authorization letter.
- All required documentation.

When you call to request your test date, please have a pen and paper handy to make sure you can write down all of the instructions provided you by phone. The testing experience is much easier if you have planned ahead and have all the necessary items with you.

For More Information: Call ASI Customer Care at 1-877-672-2179. You may contact the ASI website at www.asisvcs.com.

APPLICATION SCREENING:

Requirements	Auctioneer	Auctioneer Experience	Apprentice Auctioneer	Gallery Owner	Firm Owner
Application Fee	X	X	X	X	X
Exam Fee	X	X	X	X	X
Application: Completed?	X	X	X	X	X
Identification	X	X	X	X	X
Age: 18 or older?	X	X	X	X	X
Education 80 hrs.			X		
30 hrs.	X	X		X	X
Apprenticeship Sponsor Licensed for Two Years	X		X		
Apprentice Log with 1000 points	X				
HS diploma/ GED	X	X			X
Experience/ Board Approved		X			
Consent for Service of Jurisdiction		X			

RULE MAKING HEARING

Notice of rule making hearing to be held in Nashville, Tennessee on Tuesday, June 19, 2001 at 9:00 a.m. in Room 160, Davy Crockett Tower, James Robertson Parkway, Nashville, Tennessee

Investigations ...*(Continued)*

licensees. Violations of the Auctioneer License Law, rules and regulations can carry a civil penalty in the amount of not less than Fifty Dollars (\$50.00) nor more than Two Thousand Five Hundred Dollars (\$2,500) for **EACH VIOLATION**. The TAC is using the power to fine individuals that fail to comply with the law. You have the right to appeal your citation to the full TAC Board and have a hearing.

Please keep current with the information that the TAC provides you and make the information available to the other members of your firm.

Jackson, Tennessee - Site of Next TAC Seminar

May 17, 2001

SUBJECT: "Effective Personal Communication"

INSTRUCTORS: Dr. Bevalee Pray, Ph.D.
Jackson, Tennessee

DATE: Thursday, May 17, 2001

LOCATION: Comfort Inn
1963 Hwy 45 Bypass
Jackson, TN
800-850-1131 or 901-664-6940

TIME: 8:00 a.m. to 3:00 p.m.
(6 hours credit)

Lodging: \$55 to \$64

CONTINUING EDUCATION CREDITS:
Six (6) hours auctioneer credit.

About Our Speaker: Dr. Bevalee B. Pray is a professor with the Union University, McAfee School of Business Administration, and is owner of Management Consulting and Training. Dr. Pray has authored numerous publications and has held many seminars and workshops in the business and management field. With her numerous awards and honors, we feel privileged to have Dr. Pray as our seminar speaker.

Location Map
Comfort Inn →



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"The Tennessee Department of Commerce and Insurance is committed to principals of equal opportunity, equal access, and affirmative action." Contact the EEO Coordinator or ADA Coordinator (615) 741-2177 (TDD).

TAC "NEWSLINE"

c/o Terry Evans
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